GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:3169
ANSWERED ON:23.03.2005
VILLAGE PUBLIC TELEPHONE SYSTEM
Mahato Shri Bir Sing;Rana Shri Kashi Ram

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that private operators have been given undue benefit to the tune of crores of rupees with regard to the Village Public Telephone System;

(b) if so, the details thereof;

(c) whether the Government has spent more than 90 core rupees to provide VPTs on behalf to private operators; and

(d) if so, the facts thereof and the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) to (d) Licences granted for operation of Basic Service in 1997-98 to six private companies stipulated provision of Village Public Telephones (VPTs) in 97,806 villages as a part of roll out obligation. All of them were not able to fulfill their obligations in the stipulated time frame. Liquidated Damages amounting to Rs. 53.75 crores were recovered from private Basic Service Operators for delay in commencement of service and delay in provisioning of VPTs and Director Exchange Lines (DELs). The licence also stipulated that in case a VPT is provided by Department of Telecommunications (Bharat Sanchar Nigam Ltd. as successor organization), the said roll out shall be treated as fulfilled. Accordingly, in the absence of commencement of service by the private Basic Service Operators or non availability of the network of private Basic Service Operator in that area, the Department of Telecommunications had provided VPTs. It may not be correct to draw a conclusion that Department spent more than Rs. 90 crores on behalf of private operators or private operators were given undue benefit to the tune of crores of rupees.